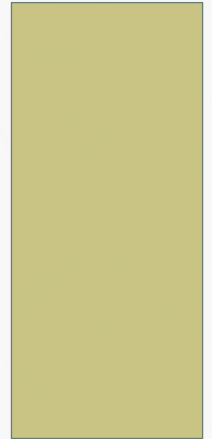
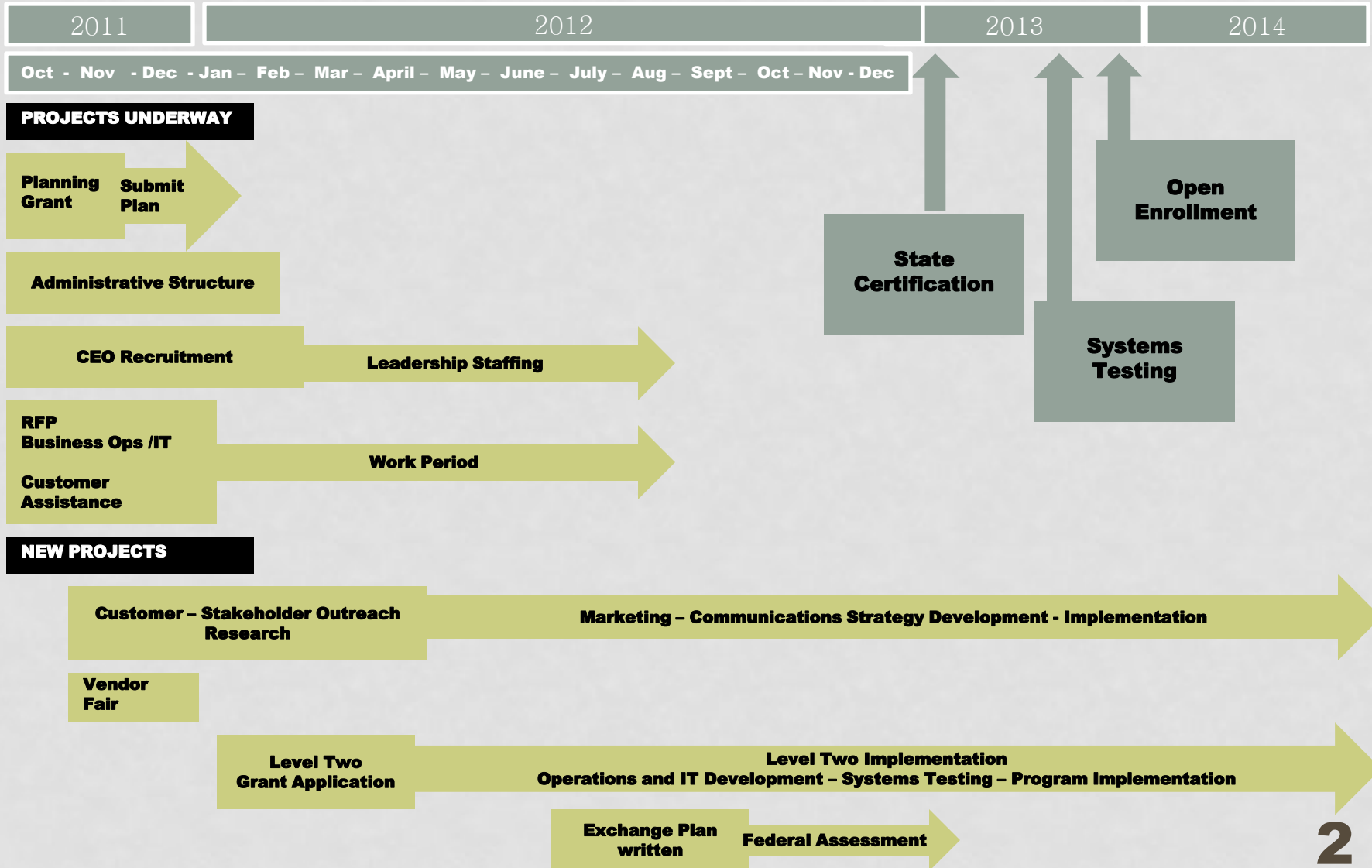


**HEALTH INSURANCE EXCHANGE
BOARD OF DIRECTORS**

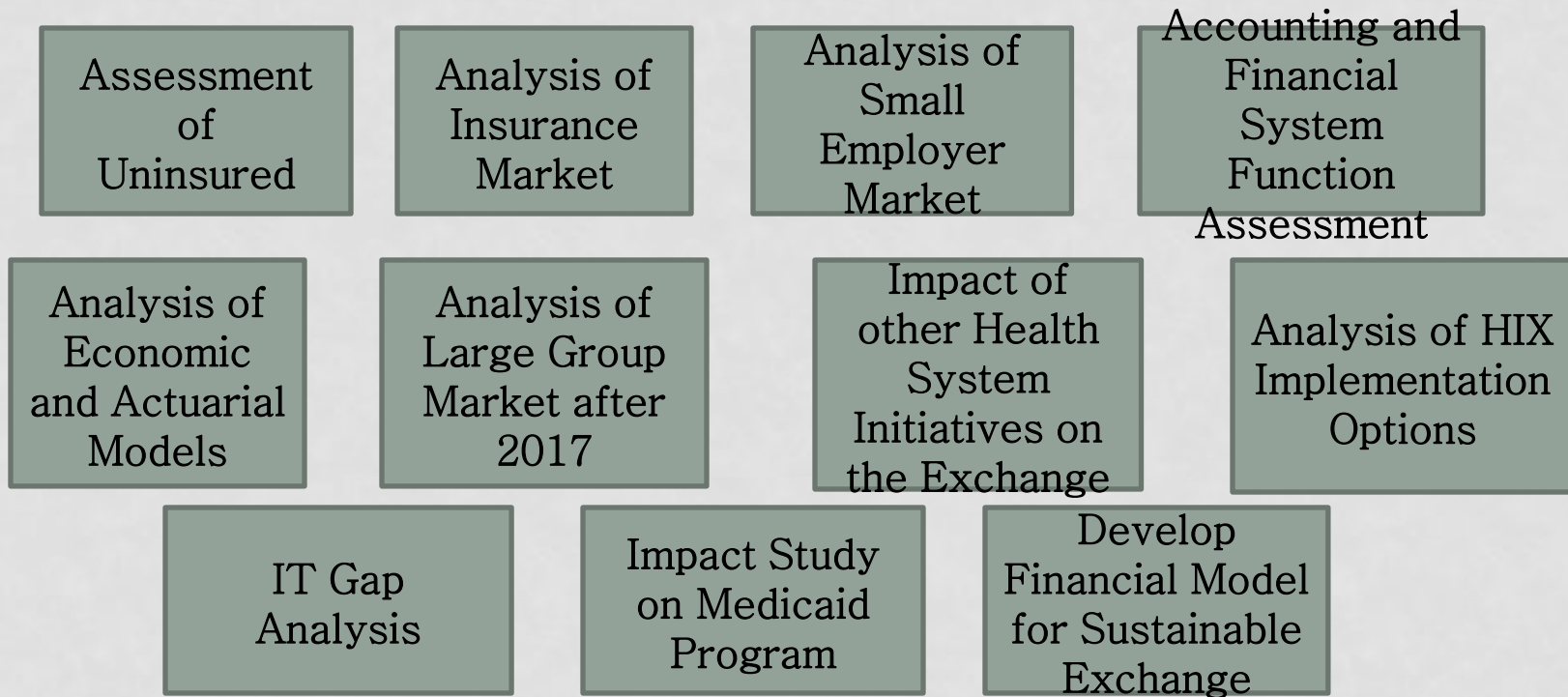
OCTOBER 20, 2011



Planning Areas



PLANNING GRANT



STATUS

- **Majority of Research and Analysis to be complete by November 15, 2011.**
- **Projected Final Report Week of December 5, 2011.**

PLANNING GRANT

FINDINGS PROCESS FLOW

Task	Nov 10	Nov 17 BOD MT	Week of 12/5-9 BOD MT	Dec-Jan
Briefing Materials sent to Board	x			
Mercer Presents to Board		X		
Final Report to State Mercer Presentation: Findings overview and Key decisions State needs to consider			X	
Stakeholders Engaged for Feedback			x	
NEXT STEPS: Decisions: State, Board, Legislative Report: Governor and General Assembly				x

PLANNING GRANT BUDGET

Note	Item	Budget HHS Approved	Reallocated Budget HHS Approved
1	Personnel	\$205,000	\$172,879
2	Consultants		\$50,000
3	Fringe Benefits	\$135,000	\$72,431
4	Equipment	\$9,000	\$2,600
5	Office Supplies	\$1,000	\$500
6	Travel	\$10,000	\$7,000
7	Stakeholder Engagement	\$5,000	\$47,000
8	Feasibility of multi state Exchange	\$2,500	\$600,000
9	Economic and actuarial modeling, surveys and data collection	\$400,000	
10	Assessment of the existing Medicaid system and IT infrastructure	\$75,000	
11	Assessment of technical requirements and development of specs for accounting and financial system functions	\$45,300	
12	Financial Modeling	\$25,000	
13	Indirect Charges	\$84,050	\$44,440
	TOTAL	\$996,850	\$996,850

LEVEL ONE ESTABLISHMENT: UPDATES

Project One

- Establish Administrative Structure
- CEO Recruitment and Leadership Staffing

Project Two

- Business Process Requirements and IT Requirements
- Purchase Strategy Options and Preliminary Costs
- Options Selection
- Implementation Plan
- RFP Development and Procurement Support

Project Three

- Assessment of Existing Conditions and Strategy for Leverage Capabilities
- Integrated Consumer Experience
- Business Process Changes, Enhancements
- Technical Requirements

LEVEL ONE ESTABLISHMENT GRANT

Reference	Budget Line Item:	Duration	Amount Requested
A	Salaries and Wages	12 months	\$260,400.00
B	Fringe Benefits	12 months	\$179,676.00
C	Consultants	n/a	n/a
D	Equipment	n/a	\$0
E	Office Supplies	12 months	\$1,200.00
F	Travel	12 months	\$15,660.00
G	Other	n/a	n/a
H	Contractual		
H1	<u>Project One</u> : Administrative Structure, Exchange Leadership and Office Space Procurement	9 months	\$2,293,104.00
H2	<u>Project Two</u> : Business and IT Operations	9 months	\$3,554,063.00
H3	<u>Project Three</u> : Consumer Assistance and Support	4 months	\$265,781.00
I	Direct Charges		\$6,569,884.00
J	Indirect Charges	12 months	\$118,039.00
	TOTAL		\$6,687,923.00

VENDOR FAIR - EARLY DECEMBER

Objective

- Provide a neutral playing field
- Listen and learn

Process

- RFI issued early November
- Vendor presentations early December

Outcome

- Understanding of Capabilities
- Factored into planning process for implementation

STATE INTERAGENCY EXCHANGE WORKGROUP

Agencies represented

- Department of Social Services
- Connecticut Insurance Department
- Department of Public Health
- Bureau of Enterprise Systems Technology
- Office of Health Reform and Innovation
- Office of the Healthcare Advocate
- Office of Policy and Management

Priority task

- Review and comment on NPRMs
 - **Summary of Benefits and Coverage**
 - **Standards related to Reinsurance, Risk Corridors, Risk Adjustment**
 - **Medicaid Program**
 - **Premium Tax Credit**
 - **Establishment of Exchanges and Qualified Health Plans**
 - **Exchange Functions in the Individual Market; Eligibility determinations, Exchange Standards for Employers.**
- Timeframes:
 - General comments by 10/19
 - Consultant to help synthesize/position
 - File comments to HHS by 10/31

STATE INTERAGENCY EXCHANGE WORKGROUP

Next Priority Task:

Institute of Medicine (IOM) report on Essential Health Benefits (EHB): www.iom.edu/EHB

- Secretary of HHS to define the EHBs.
- Must include at least 10 categories of health services with benefits similar to those currently provided by a typical employer. (ambulatory patient, emergency, hospitalization, maternity and newborn, mental health and substance abuse, Rx, rehabilitative, laboratory services, preventive, pediatric svcs)
- IOM asked to make recommendations on methods for determining and updating the EHBs.
- Two main questions addressed:
 - how to determine the initial package
 - how to update it

NEXT STEPS

- **November 17th Meeting**
 - **Mercer Research**
 - **Outreach Strategy**
 - **Projects Updates**